

CALIF ENERGY COMMISSION

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Remarks of Leon G. Billings
In Behalf of Hunter Fan
Before the
California Energy Commission
Public Hearing on Amendments to Appliance Efficiency Regulations
Docket No. 04-AAER-1
October 13, 2004

Honorable Commissioners, my name is Leon Billings. I am a consultant to Hunter Fan Company, a Memphis-based company that manufactures ceiling fans. Hunter Fan will submit technical comments for the record prior to November 2.

I would like to make three points. First, I want to thank the staff for recognizing the absence of an effective date on the labeling requirements applicable to ceiling fans.

As Hunter will point out in the technical amendments that it files, if there is to be a labeling requirement, the company would hope that the effective date would be no earlier than January 1, 2007. The reason is that it takes as much as 18 months for inventory to move through the retail outlets that market this product. Because most of Hunter's product is manufactured overseas, Hunter would need to develop new carton artwork for its entire product range, have new cartons printed and then have the packaging available for its complete product line. Hunter would also likely have residual quantities of old cartons that would need to be scrapped at a substantial expense should an extension not be granted. A two-year period is a minimum amount of time needed to achieve that objective.

Second, with respect to labeling, Hunter believes the information proposed to be included will be of little value to the consumer. Only the most technically sophisticated consumers are going to have any idea what the term "CFM/watt" means, how it translates into energy savings and how it compares with other products.

Hunter is currently allowed to label as Energy Star compliant the 17 percent of its fans that meet the voluntary Energy Star standards. While Hunter has issues with mandating Energy Star compliance, they assume that the public is becoming aware of the fact that Energy Star products are more energy efficient than non Energy Star products.

Moreover, labeling that requires a statement on how much air a fan moves may be less relevant than the fact that ceiling fans actually reduce energy demand for air conditioning and in fact can also provide a winter heating season benefit. Your own consultant's report indicates that ceiling fans allow consumers to increase their thermostats by 3 degrees without any change in comfort level. Thus, if there is to be a label at all, Hunter believes that it is useful and appropriate to indicate when a ceiling fan is Energy Star compliant, but more importantly to inform the consumer that ceiling fans can result in measurable savings from the cost of air conditioning and heating.

You may know that Hunter Fan provided the United States Environmental Protection Agency with much of the data used to establish its Energy Star rating. Hunter also developed the measurement technique to establish that rating. Hunter believes that this voluntary program is an effective way of producing products that are energy efficient and meet consumer demand and they are working to achieve greater energy efficiency in the vast majority of Hunter fans that are not currently Energy Star

compliant.

The problem that Hunter has with the requirements, such as establishing the law in the State of Maryland which requires all fans to be Energy Star compliant, is that even if all of Hunter fans met the Energy Star CFM/Watt fan efficiency requirements (and, as noted above, only 17 percent do), a major limitation would be associated with the fan light fixtures that are integral to the majority of our products. Any standards that apply to ceiling fans ought to be separate from the standards that apply to ceiling fan lights and the fan light standards should be consistent with standards for all other residential lighting products.

Hunter would like to help the California Energy Commission in its effort to not only increase the availability of energy efficient fans but increase the use of fans to offset air conditioning costs. Hunter's preference would be that this rule require manufacturers of fans sold in California to modify their carton artwork to educate consumers regarding the proven positive energy savings benefit derived from ceiling fans.